

Miscellaneous Tariff Bill (MTB) Public Comment Submission Supporting H.R. 5190 (Buck McKeon) To Suspend Temporarily the Duty on Certain Mechanics' Work Gloves Submitted By Harry Pierce CEO Big Time Products Rome, Georgia June 22, 2012

Big Time Products

Harry Pierce, CEO, and Rick Chambers, President, started Big Time Products in 2003. Harry and Rick have a combined over 50 years in the glove and retail industry, including Harry serving as President of The Home Depot Western Division. Including all segments of the hand protection business, Big Time Products is the largest supplier of gloves to the American consumer.

Harry and Rick's vision was strong and focused solely on Hand Protection Products and more specifically on providing better customer service for the retailers and better quality products for the consumer.

When Big Time Products was launched the Work Glove category was flat and basically had not shown growth in the past 10 years. Harry and Rick came up with the concept of using Synthetic Leathers, and other materials, to create a better work glove with greater dexterity, safety, fashion and longer lasting than any other gloves in the work glove category.

Big Time Products and our more than 100 employees throughout the United States strongly support the enactment of H.R. 5190.

Support for H.R. 5190 - To Suspend Temporarily the Duty on Certain Mechanics' Work Gloves

We strongly support passing H.R. 5190 to adjust the Harmonized Tariff Schedule (HTS) to reflect the continuing innovation in the design and manufacturing of synthetic leather gloves. The increased and fluctuating tariff rate creates economic instability for our industry which leads to the inability for job growth and economic expansion. Big Time Products would be able to hire many more employees across the United States if Congress would pass this important legislation.

Synthetic leather gloves were created to answer market demand for a high dexterity, safer and longer lasting work glove that could be utilized for many different purposes. They are a very specialized work glove made of synthetic leather palms and fingers with fourchettes and backs of man-made knit fabric.

There is no domestic production of similarly styled gloves, nor is there domestic production of the synthetic leather used for manufacturing the gloves.

In 1996, the United States Customs and Border Protection (CBP) classified Mechanic's Work Gloves under subheading 6216.00.4600 of the Harmonized Tariff Schedule (HTS) of the United States. The duty rate was 2.8 percent ad valorem.

However, in 2003 CBP reclassified the gloves under a miscellaneous category with a new duty rate of 10.4%. CBP based the reclassification on the lack of a clear definition of the synthetic leather gloves.

In 2006, Congress recognized the need to define the gloves in the HTS and passed legislation which defined the synthetic leather gloves and set the duty rate at 2.8%. Unfortunately, the provision was temporary and expired on December 31, 2009.

It is time for Congress to pass legislation that would permanently define the synthetic leather gloves and suspend the duty rate. This will lead to increased economic expansion and job growth in the industry.

No Domestic Work Glove Manufacturing Production

Big Time Products would like to manufacture our work gloves in the United States. However, there is no possibility of a manufacturing chain capable of producing the quantity needed in the United States. To maintain a retail cost for the gloves that is affordable for our professional and individual glove purchasers we cannot manufacture these gloves domestically.

We have met with virtually every glove producer in the United States. These glove makers do limited number specialty orders and their customers pay higher prices for the custom gloves they require. The comments we always hear are that in order to manufacture the quantity of the gloves that Big Time Products requires and for a cost that the retailers will purchase and sell the gloves for, the glove manufacturer would lose money.

No Domestic Production of Synthetic Leather

The synthetic leather that has revolutionized the work glove market is not produced or available in the United States. This is just a fact, and there are not even any tanneries left in the United States that produce leather from animals. Again, we would like to produce the synthetic leather domestically but it is just not possible, and never will be, due to EPA and other regulations and standards.

Opposition to H.R. 5190

Big Time Products along with 11 other of the top work glove companies in the United States supports H.R. 5190.

During the previous public comment period in December 2009, the National Council of Textile Organizations submitted a form letter in opposition to similar legislation. Their argument was the legislation "... covers an apparel product already made in the United States or which is assembled using yarn made in the United States."

We have demonstrated above that there is currently and will not be domestic production of work gloves. The yarn produced in the United States is not used for this category of synthetic leather work gloves. Domestic yarn is used in knit gloves that do not compete with the synthetic leather work gloves defined in this legislation.

We also understand there is only one glove company in the country who is opposing this legislation. Youngstown Glove Company is opposing this legislation because they feel the bill's definition of characteristics will not cover all gloves in the industry.

H.R. 5190 deals with the tariff duty rate on synthetic leather work gloves. The definition of characteristics in the legislation covers the product on the market and is not intended to exclude any gloves sold in the United States that are under this category.

Youngstown also claims they are currently developing domestically produced mechanics gloves. We addressed this issue above and must respectfully comment that there is currently no domestic production of the synthetic leather work gloves defined in this legislation and there will not be any domestic production in the future that will be able to produce the quantity of gloves to meet demand and for the cost necessary for viable retail sales in the United States.

Conclusion

On behalf of Big Time Products and our more than 100 employees across the country we thank you for the opportunity to submit this comment in support of H.R. 5190. We would be happy to answer any questions and travel to meet with the appropriate decision makers to assist in passing this important legislation.

By suspending the duty rate on synthetic leather work gloves we will be able to continue to provide quality and cost effective gloves in the United States. We will also be able to create job growth and expand the economy with this new reasonable duty rate through the sales of Big Time Products synthetic leather work gloves.